

HOUSE BILL 263
By Shepard

AN ACT to amend Tennessee Code Annotated, Title 56; Title 63
and Title 71, relative to pharmacy benefit managers.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 63, Chapter 10, is amended by adding
the following section as a new part thereto:

Section 63-10-701.

(a) As used in this part unless the context otherwise requires:

(1) "Enrollee" means a person eligible to receive a health care
benefit under a health benefit plan;

(2) "Health benefit plan" means any hospital or medical insurance
policy or certificate, health care plan or certificate, qualified higher
deductible health plan, health maintenance organization subscriber
contract, or any managed care plan;

(3) "Insurer" means a corporation or other entity which is licensed
or otherwise authorized to offer a health benefit plan in this state; and

(4) "Pharmacy benefit manager" means any person, corporation, or other entity that administers prescription drugs or prescription devices of a health benefit plan on behalf of an insurer.

(b) Every pharmacy benefit manager providing services or benefits in this state that constitute the practice of pharmacy as defined in this chapter shall be licensed to practice as a pharmacy in this state. As a condition for licensing, every pharmacy benefit manager shall permit the board, or agents or employees thereof, to inspect the premises of such pharmacy benefit manager.

SECTION 2. Tennessee Code Annotated, Section 63-10-504(b)(1), is amended by deleting the language "parts 4-6 of this chapter" and by substituting instead the language "parts 4-7 of this chapter".

SECTION 3. Tennessee Code Annotated, Section 63-10-504(i), is amended by deleting the language "parts 4-6 of this chapter" and by substituting instead the language "parts 4-7 of this chapter".

SECTION 4. Tennessee Code Annotated, Section 63-10-505(4), is amended by deleting the language "parts 4-6 of this chapter" and by substituting instead the language "parts 4-7 of this chapter".

SECTION 5. Tennessee Code Annotated, Section 63-10-506(a), is amended by deleting the language "parts 4-6 of this chapter" and by substituting instead the language "parts 4-7 of this chapter".

SECTION 6. Tennessee Code Annotated, Section 63-10-508, is amended by deleting the language "parts 4-6 of this chapter" and by substituting instead the language "parts 4-7 of this chapter".

SECTION 7. Tennessee Code Annotated, Section 63-10-509, is amended by deleting the language "parts 4-6 of this chapter" and by substituting instead the language "parts 4-7 of this chapter".

SECTION 8. This act shall take effect January 1, 2004, the public welfare requiring it.